



**15.**

**Property Policy and Procedures**

**KTCO-60-10**

**RESOLUTION OF THE  
KAYENTA TOWNSHIP COMMISSION**

**Adopting and Approving the Property Policy and Procedures for the Kayenta Township  
Commission and Administration**

**WHEREAS:**

1. The Kayenta Township Commission ("KTC") has the general authority and responsibility to govern for the welfare of the Kayenta Township ("Township") and its residents, including the enactment of such ordinances, rules and regulations as it deems in the best interest of the Township; and
2. The KTC is empowered to adopt rules and regulations as may be necessary to effectively and efficiently operate the Township operations and to be in compliance with the Navajo Nation and Federal Laws as required and applicable to all property management rules and regulations; and
3. The Township Property Policy and Procedures (Policy) is prepared to provide guidance, the procedurals, to properly maintain and to be accountable for the property of the KTC and to appropriately use the policy as guidance in following all practices and protocols hereby attached as Exhibit A; and
4. The Commission and Administration reviewed, discussed the Policy and recommended minimal changes at a work session on April 03, 2010, to which changes were made.
5. The Commission tabled a September 13, 2010 resolution due to forms were not attached to the Property Policy and Procedures. KTC considered the Policy to be in the best interest of the Township.

**NOW, THEREFORE, BE IT RESOLVED THAT:**

1. The Kayenta Township Commission hereby adopts and approves the Property Policy and Procedures with attached forms as required, attached hereto as Exhibit "A" and incorporated herein by reference, to be effective immediately.
2. The Kayenta Township Commission hereby authorizes the Town Manager and Management to modify and amend the Policy from time to time to be in compliant with all applicable rules and regulations relevant to the property management.


**CERTIFICATION**

I hereby certify that the foregoing resolution was duly considered by the Kayenta Township Commission at a duly called meeting in Kayenta, Navajo Nation (Arizona), at which a quorum was present and that same was passed by a vote of 3 in favor, 0 opposed, and 0 abstained, this 11<sup>th</sup> day of October, 2010.

Motion: Commissioner Greyeyes

Second: Commissioner Yazzie

KAYENTA TOWNSHIP COMMISSION

  
Helen Bonnaha, Chairperson

Kayenta Township Commission  
P.O. Box 1490  
Kayenta, Arizona 86033  
(928) 697-8451

# KAYENTA TOWNSHIP PROPERTY POLICY & PROCEDURES



Submitted by  
Director of Economic Development Department

# EXHIBIT "A"

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**KAYENTA TOWNSHIP COMMISSION  
PROPERTY POLICIES AND PROCEDURES**

**I. PURPOSE**

This policy sets forth the authority, principles and policies governing the accounting of Kayenta Township Commission property in terms of both dollar value and units of location, and prescribes Kayenta Township Commission Administration responsibilities for their execution and supervision. This policy also provided the basis for implementation of and general supervision over procedures necessary for all Township assets through the maintenance records; performance of inventories; insure the provision of adequate an economical warehousing; receipt and delivery Township property.

**II. SCOPE OF POLICY**

The general principle of this policy is applicable to all employees and components of the Kayenta Township Commission including Commissioners who will monitor to ensure that property records are maintained and that this policy is administered.

**III. ACCOUNTABILITY AND RESPONSIBILITY**

- A. Role of the Kayenta Township Commission:  
The Kayenta Township Commission is formally obligated for all of it property and assets. Therefore, is responsible for any debts for payment, and is also responsible for the maintenance and safeguards of all records.
- B. These policies and procedures can only be amended by the Kayenta Township Commission at a duly called meeting upon recommendation by the Town Manager.
- C. The Town Manager and Support Staff is vested with the accountability and responsibility for all Township property and maintenance records in connection with possession of others to whom it had been officially entrusted temporary use or for care and safekeeping. This accountability is not terminated until transferred to another accountable individual is accomplished, or until items of property have been dropped from accountability disposition of the said property. In addition, the Administration Staff is hereby vested and entrusted with the care for safekeeping of all Township inventoried properties whether in use or in storage.
- D. Physical inventory shall be taken on an annual basis, which will be an alignment with Township annual financial audit. The inventory will include all property classified as real property, equipment, supplies, materials with an acquisition cost of \$200.00 or more, and any items designated by the Town Manager.

**IV. GENERAL PROVISION CONCERNING KAYENTA TOWNSHIP COMMISSION PROPERTY**

- A. Individuals to whom Township property is entrusted are charged with responsibility for its care and safekeeping and they should be prepared to show, in the event of loss, the precautions taken by them personally to guard against loss damage, etc.

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- B. An individual will not be assigned to duty that will separate him/her from property for which he/she is responsible. Individuals will be required to assume accountability for property remotely located. In such instances, they are required to maintain records which show at all time, the general location of such property and the individuals responsible for its care and safekeeping.
- C. The sale, gift, loan or exchange, or other disposition of any Township property not specifically authorized by regulations or other directives issued by the Township is illegal.
- D. Any person who, without authority, sells, or otherwise disposes of Township property or through neglect allows Township property to be lost, or damaged, destroyed, sold or wrongly disposed of, maybe punished as local regulations and/or laws may direct.
- E. All Township property shall be identified by marking and/or tagging unless such making would impair the utility of item.
- F. Records of accountability for property will list serial numbers for positive identification of like items and report losses.
- G. All Township personal property shall be kept on the Township premises except where it has been approved otherwise.
- H. All property that is discovered, tagged or not, by an accountable individual will be taken up and accounted for shall also be the duty of the individual reporting the existence of property as indicated above to take charge of and protect such property until responsibility has been assumed by property authority.
- I. No rewards, favors, gifts or other form of remunerations shall be received from any vendors, contractor, individual, firm or any other sources having relations with the Township or its Commission.

### **V. INVENTORY OF PROPERTY**

- A. It shall be the policy of the Kayenta Township Commission to maintain a complete, detailed and accurate physical inventory of property assigned and to be reconciled annually, or upon a change of an accountable individual(s) within Township Administration. A physical inventory will involve an actual observation and count of the property. A proper condition check is part of inventory. Damaged or destroyed will be handled as prescribed in section VII of the manual.
- B. The Kayenta Township Administration Support Staff will conduct the physical inventory using a number code system. All property with the acquisition cost of \$200.00 or more will be inventoried. All property with the acquisition cost of \$500.00 will be considered a capitalized asset and must be tagged with Kayenta Township property tag.
- C. Pertinent records and documentation of all Township property shall be kept, which include requisitions, purchase order, receiving records, invoices, warranties and copies of cancelled checks. The information contained in the inventory will include date of purchase, purchase price, serial number, description, Township property number, date of disposition and salvage value.

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- D. A copy of the most current inventory listing will be provided to the Department of Risk Management, Navajo Nation, on an annual basis, or upon new purchases or disposition of any real property.
- E. The inventory listing shall be verified by the Property Manager for accuracy and accountability on a periodic basis.
- F. The Kayenta Township shall use only those approved Township property form(s) and kept in a safe place under lock and key. The Property Manager will utilize the appropriate forms for accounting of Township property.

### **VI. ADJUSTMENT OF DISCREPANCIES BY INVENTORY**

- A. In the event unmarked/untagged property is found, ownership will be determined and if proven to be Township owned, it shall be marked/tagged as such. If ownership cannot be determined, the property will be marked/tagged as Township property and recorded as "found property". Property not located during the inventory and after a reasonable time and effort, will be considered lost or stolen and will be handled as prescribed by the Township Officials.

### **VII. PROCEDURES FOR LOST, STOLEN OR DAMAGED TOWNSHIP PROPERTY ITEMS**

- A. It shall be the responsibility of the Town Manager to immediately notify law enforcement and request for a written police report on the lost, stolen or damaged property; obtain a police report number and reporting Officer's name.
  - 1. Immediately provide a written notification to the Kayenta Township Officials to inform them of the incident.
  - 2. If the Kayenta Township property is insured under the Navajo Nation Group Insurance a copy of the written incident police report in memorandum shall be submitted to the Risk Management Department of the Navajo Nation.
  - 3. Compile information from the last/latest physical inventory sheets; obtain copies of purchase order and property record on lost, stolen or damaged items, to assist Risk Management Department to decide on repairs and/or replacement through new purchases.
  - 4. Take any damaged and/or recovered property from the Kayenta Township and send it to a repair shop to obtain estimates on; (a) repair cost; (b) replacement cost through new purchases if the repair cost exceeds acquisition cost.
  - 5. Reporting of all property identified as capitalized asset which are covered by the Navajo Nation Risk Management will be in compliance and be consistent with the Navajo Nation Property Management Policy and Procedures, as applicable.

### **VIII. EQUIPMENT LOAN/RENTAL and FEES PROCEDURES**

- A. It shall be the policy of the Kayenta Township to minimize property loan or rental as much as possible in adherence to Township Procurement Policy and Procedures.
- B. It shall be the policy of the Kayenta Township that no Township property shall be loaned or rented without the approval of the Town Manager on a Township approved form. This loan/rent property policy is intended for the privileges of the community membership only.

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- C. The Kayenta Township Administration will be responsible for assuring the equipment is used for its intended purpose and enforcement of the standard rental fees.
- D. The procedures for requesting to rent a Kayenta Township Commission property will be as follows:
  - 1. Requestor must be employees of the Kayenta Township Commission and possesses a valid I.D. and must be over 18.
  - 2. Requestor must fill out a rental form at the administration office specifying which of the Township property is to be rented.
  - 3. The Township Administration will be responsible for assisting and making sure all documents are available and ready for appropriate approval.
  - 4. The Township Administration will review the request and forward to the Town Manager for approval and signature.
  - 5. The person renting will be responsible for fuel and safekeeping of the Township property during the time of his/her possession.
  - 6. The Township property must be returned at the specified time, unless an extension is granted by the Town Manager; otherwise, additional charges will be assessed for usage.
  - 7. All returned Township property will be returned to the Property Management Office and inspected by the Township Administration and documented.
- E. It shall be the policy of the Kayenta Township Commission that it may lease/rent equipment from other chapters, entities, and organizations with the approval of the Town Manager on a Township approved forms.

### **IX. UTILIZATION OF KAYENTA TOWNSHIP COMMISSION FACILITIES POLICY**

- A. From time to time, it may become necessary for the Township to receive request from chapter and non-chapter organization(s), or individual(s), for utilization of the Township facilities to conduct activities for charitable and non-charitable purposes. In these cases, it shall be the general policy that any request to utilize the Township property must be approved on a case by case basis by the Town Manager or his/her designee at a duly called Kayenta Township Commission meeting, except where an individual(s), request to sell food items, or other items, either on behalf of an organization, the Town Manager or his/she designee will be responsible to receive and approve those request through an appropriate application form, and nominal fee will be charged for each vendor(s).
- B. A valid food handler's permit will be required of the vendor(s) to prepare food for public consumption.
- C. Kayenta Township Commission will not assume any responsibilities for loss or theft of any valuables of the vendor, nor will it be liable for any injury that may be caused due to negligence and carelessness of the individuals renting the facilities.
- D. The individual vendor(s) is responsible for making sure that all Township property remains on the premises and that the area is clean before leaving.

### **X. PROPERTY CONTROL/PROTECTION**

- A. Liability: Liability coverage for damages and injuries to the third party shall be mandatory for all Township vehicles and equipment. The Kayenta Township may seek coverage under



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the Navajo Nation Group Insurance, or by another insurance carrier. Other coverage including collision, fire/smoke damage, theft/vandalism and workmen's compensation should also be included.

- B. Security Responsibility: It shall be the responsibility of the Town Manager to prevent property from being stolen or damaged by keeping all Township property on the Township premises either in a warehouse, or other Township secured facilities.
- C. Custodial Responsibility: The Township Administration shall maintain a property maintenance record of all accountable, non-expendable and personal property. In addition, the Town Manager will be required to establish a preventive maintenance repair program and to implement guidelines for the utilization of the property. Only authorized individuals shall operate the Township property.
- D. Inventory & Property Records: Periodic physical inventory will be required of all capitalized items of personal property. A physical inventory record should provide an actual basis and observation of all property identified by the Property Manager. The inventory should reflect also the condition and the physical presence of the item.

### XI. DISPOSAL OF PROPERTY:

It shall be the policy of the Kayenta Township Commission to properly dispose of its property which will involve not only the physical disposition but also reconciliation of the accounting records to reflect such disposal.

- A. Types of Disposal:
  - 1. Ordinary disposal will include property disposed through normal wear, etc.
  - 2. Extra-ordinary disposal are property that are stolen, lost, damaged or destroyed which requires inventory reports.
- B. Non-Required Property: Personal property of the Kayenta Township which is no longer needed and is thus available for transfer to other components for utilization. The item is used but unusable without repairs and is in excellent condition and costs individually more than \$300,000 per item, or one which could be economically transferred even though its condition is less than usable without repairs.
- C. Excess Property: This second category in ordinary disposal is non-required property which is available for transfer outside the Township. Such property cannot be used by another component of the Kayenta Township.
- D. Surplus Property: This is excess property for which there is no longer a need within the Kayenta Township, if the Township does not identify a need for such property, the Town Manager will inform the Township staff that such a property exists so that the chapter membership may have the opportunity to purchase said property.
- E. Sale of Property: When a sale is made, documentation that the sale has occurred must be provided to the Kayenta Township Administration so that such sales income can be recognized by the Township and recorded.
- F. Scrap or Salvage Property: Any property which has lost its original value but retains a minimal worth shall be disposed of upon recommendation by the Town Manager.

When property is destroyed by fire, flood or other such disaster, adjustments must be made to the property record to reflect the disposition of the property. The remains of the property can be disposed by classifying the property as abandoned. The Town Manager must certify that the property is to be abandoned if destruction by fire, flood or natural disaster has occurred.

### XII. ADMENDMENTS

This policy may be amended at a duly called Kayenta Township Commission meeting.

**XIII. DEFINITIONS**

The following terms are pertinent to this regulation and to all other regulations with property accounting.

1. **Accountability** involves the basic obligation of accounting for property, whereas responsibility arises from possession of property and/or the obligation of supervision of others who are in possession of property. Either or both of these concepts may attach to one individual. Accountability will be assigned by the Town Manager. In the appointment of accountable individuals, consideration should be given to the fact that accounting for and familiarity with property should constitute an important part in the experience and knowledge of the individual.
2. **Town Manager** shall be the executive-level professional that is hired by the Kayenta Township Commission to oversee the management of the Kayenta Township government.
3. **Kayenta Township Commission Officials** will consist of the President, Vice-President and the Secretary/Treasurer plus two (2) members.
4. **Responsibility** is the obligation of an individual with respect to the proper custody, care and safekeeping of the Navajo Nation Entity's property entrusted to his/her possession and supervision. The Township's assigned Accountable Individual, by virtue of assignment, is responsible for all the property of the Township. In the case of temporary absence, so responsibility may be delegated to the Town Manager for specific period. The Accountable Individual will attend personally to the security of the property of the Township to make determination of individual responsibility for loss or damage.
5. **Pecuniary Liability** is defined as referring to a persona, joint or corporate monetary obligation for any lost, damaged or destroyed property, resulting from misconduct or negligence.
  - a. **Property List Accountability** refers to the obligation to maintain records of certain classes of property under condition specified in policies or specified instruction of the Township. This obligation includes that of property responsibility. Such records, as well as book of account, are subject to examination by auditors or others as may be authorized or required.
  - b. **Property Record** is a basic record showing, by item, the receipt, use and disposition of property and such other identifying data as may be required by property authority.
  - c. **Loan Form** is a signed document acknowledging acceptance of responsibility of items or property listed therein which as loaned or issued for use and are to be returned.
  - d. **Kayenta Township Property Listing** is a record of personal property accountability maintained by the Township.
  - e. **Installed Building Equipment** are the items of equipment and furnishings, including materials for installation thereof which are required to make the facility usable and are affixed as a permanent part of the structure. These items will include plumbing fixtures and equipment; fixed heating, ventilating, cooling air conditioning, electrical and fixed tire protection systems, counters, cabinets and similar fixed equipment.
  - f. **Sensitive Items** are items costing more than \$300, but having a high intrinsic value or high degree of utility, i.e., firearms, calculators, camera, etc.
  - g. **Equipment in Place** is personal property of a movable nature which has been in place or attached to real property but which may be severed or removed from

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buildings without destroying the usefulness of the structures. It does not include installed building equipment.

- h. **Capitalized Assets** consist of real property, installed building equipment, personal property and non-expendable supplies which meet criteria (1), (2) and (3) below:
  - 1. Has a value of \$300. or more;
  - 2. Is classified non-expendable in accordance with Kayenta Township Commission or Navajo Nation Council Resolution; and
  - 3. Has been determined to be a sensitive item by the Controller of the Kayenta Township or the Navajo Nation.
- i. **Real Property** is land, land improvements, structures and appurtenances thereto, excluding movable machinery and equipment. It includes piers, docks, warehouses, right-of-way and easements, whether temporary or permanent underground conduits and associated manholes, utility systems and parts, and all other improvements permanently attached and ordinarily considered real estate. It does not include machinery, equipment, fixed signal communication system, etc., which may be severed or removed from buildings without impairing or destroying the usefulness of structures.
- j. **Personal Property** is all property other than real. Such property can be further classified as expendable and non-expendable property.
- k. **Expendable Property** is property which is of relatively low dollar value, or is property which is consumed in the performance of a function or is incorporated into an end item. The cost or appraise value of such items are to be charged as an expense.
- l. **Non-Expendable Property** is an item, or personal property of dollar value, which retains its identity throughout its useful life and has a dollar value high enough to warrant maintenance of items accountability. Property is defined as those categories or specific items of property which, for property management and/or accounting purposes, are to be carried as capital assets until disposed of by transfer, sale or other means.

INVENTORY DATE:

[illegible]

DATE:

**Signature**

# KAYENTA TOWNSHIP PROPERTY DISPOSAL AUTHORIZATION FORM

**TERMS AND CONDITIONS:**

The following property was identified to be disposed of as prescribed below. It was deemed that the consignee will be liable in disposing of the property in compliance with the Property Policy and Procedures Section XI. The properties to be disposed by consignee are as follows:

**REASON FOR REQUEST:****PROPERTY DISPOSAL (Check One):**

- |  |                                      |
|--|--------------------------------------|
| <input type="checkbox"/> External Transfer | <input type="checkbox"/> Scrap       |
| <input type="checkbox"/> External Sale     | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Donation          |                                      |

Property Description:	Model/Serial No.:	KT Property No.:	Condition:
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____
4. _____	_____	_____	_____
5. _____	_____	_____	_____
6. _____	_____	_____	_____
7. _____	_____	_____	_____
8. _____	_____	_____	_____
9. _____	_____	_____	_____
10. _____	_____	_____	_____

I, \_\_\_\_\_, verify to dispose of the property as described above and agree to the above terms and conditions to be in compliance set forth in the Property Policy and Procedures.

Department: \_\_\_\_\_

Location: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Approved: \_\_\_\_\_

Date: \_\_\_\_\_

## KAYENTA TOWNSHIP PROPERTY LOAN REQUISITION FORM

### TERMS AND CONDITIONS:

The following property was identified to be loaned as prescribed below. It was deemed that the consignee will be liable in receiving the said property and to be in compliance with the Property Policy and Procedures Section VIII. Consignee will be responsible for the safe keeping, maintenance and proper use of property. Consignee further agrees to return the property upon completion of his/her assignment with Township, in its original condition with due consideration to the normal wear and tear expected during the period the property is loaned. If the property is lost or stolen, the consignee agrees to replace the borrowed property at its current fair market value. Further, consignee agrees to pay to the property repaired, if broken while in his/her possession or during the period of property loan.

The properties to be loaned to consignee are as follows:

<u>Property:</u>	<u>Model/Serial No.:</u>	<u>Condition:</u>	<u>Quantity:</u>
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____
4. _____	_____	_____	_____
5. _____	_____	_____	_____
6. _____	_____	_____	_____

I, \_\_\_\_\_, verify to receive of the property as described above and agree to the above terms and conditions and to in compliance set forth in the Property Policy and Procedures. I hereby indemnify Township from any loss, damages, liability or injury that may occur as a result of property used as requested herein.

Department: \_\_\_\_\_

Individual or Firm: \_\_\_\_\_

Borrower

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Official Approval: \_\_\_\_\_

Date: \_\_\_\_\_

# **KAYENTA TOWNSHIP PROPERTY TRANSFER FORM**

The following property was identified to be transferred as prescribed below. It was deemed that the consignee will be liable in transferring of the property and to be in compliance with the Property Policy and Procedures.

The properties to be transferred by are as follows:

	<u>Property:</u>	<u>Model/Serial No.:</u>	<u>Condition:</u>	<u>Quantity:</u>
1.	_____	_____	_____	_____
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____
7.	_____	_____	_____	_____
8.	_____	_____	_____	_____
9.	_____	_____	_____	_____
10.	_____	_____	_____	_____

I, \_\_\_\_\_, verify to transfer of the property as described above and agree to the above terms and conditions and to be in compliance set forth in the Property Policy and Procedures.

From Department: \_\_\_\_\_ To Department: \_\_\_\_\_

Acknowledged:

Signature \_\_\_\_\_ Date \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

Approved: \_\_\_\_\_ Date: \_\_\_\_\_